



PRIMESERV

2015

PRIMESERV GROUP LIMITED
SUMMARISED ANNUAL FINANCIAL STATEMENTS

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This is a condensed version of the full Integrated Report. For the full Integrated Report please visit www.primeserv.co.za. Should you require an electronic copy (by e-mail) or would like to request a hard copy, please contact the Financial Director, Mr R Sack, at the registered office of the Company, 25 Rudd Rd, Illovo, Johannesburg (PO Box 3008, Saxonwold, 2132) or by e-mail at int15report@primeserv.co.za.

GROUP STRUCTURE



HUMAN CAPITAL DEVELOPMENT



HR Consulting
 Corporate Training
 Technical Training
 Learnerships
 Specialist Recruitment
 Talent Management Services
 Lifestyle and Benefit Products

HUMAN CAPITAL OUTSOURCING



Flexible Staffing Services
 Permanent Staff Resourcing
 HR and IR Systems and Logistics Solutions
 Mega-project HR Services
 Payroll and Wage Bureau Services

CHAIRMAN'S REPORT

After 10 years as Primeserv's chairman, the time had come to make the role available to a new and transformative leader. I therefore stepped down on 27 March 2015 and our CEO, Merrick Abel, has taken on the additional responsibility of acting chairman until the new appointment is made.

Having been involved with Primeserv since its inception, I will continue to serve the Board as an independent non-executive director, offering guidance in corporate governance, risk, audit and remuneration.

In this reporting year we continued our improved trajectory from the solid foundation set in the 2014 financial year. Although the economic environment and the labour market in particular again presented an extreme set of challenges, Primeserv enhanced the strength of its operations and its balance sheet and is on track for sustainable profitability.

Commencing in 2010, the ongoing governance of labour as a whole was re-examined and renegotiated in depth, with a major focus on temporary employment services (TES). This exercise, which had absorbed much valuable Primeserv management time, concluded with the promulgation of four acts of amended or new legislation between March 2014 and April 2015.

Due to Primeserv's integral participation in this process, we had the foresight to inform and prepare our employees and clients, and to revise our operations and systems in alignment with the new labour legislation. Having completed the realignment of our business, Primeserv is unfolding its strategy of providing customised integrated HR solutions and services that meet the needs of organisations operating within the newly legislated South African labour relations environment.

Nevertheless, we anticipate a series of challenges over the short term, primarily due to South Africa's economic constraints and global economic volatility.

A major impact on economic growth is the continued slide of commodity and metals prices, combined with the recent above-inflation salary increases. A growing list of South Africa's metal smelting plants and mines have become unprofitable. Many thousands of jobs are being lost as labour forces are reduced and mines and plants shut down.

As oil prices fall and the Rand slips against major currencies, we would have expected our manufacturing sector to become more competitive internationally, however, this potential windfall is becoming unlikely as worldwide consumer demand slumps. Global trade statistics are down and Chinese GDP growth is throttling back to about 7 percent per annum.

According to Statistics SA, South Africa's unemployment rate had climbed to 26.4 percent at the end of Q1 2015 to reach its highest level since 2003. This simply reaffirms that urgent steps must be taken to address unemployment, which is the root cause of many of our country's social ills. The IMF team that visited South Africa in June 2015 urged government to reduce the labour regulatory burden on businesses, so as to increase overall business viability, economic productivity and international competitiveness.

South Africa's younger people in particular are severely disaffected, as the unemployment rate for 15 to 24 year-olds is nearly double the national average. Temporary employment, as managed by responsible job providers such as Primeserv, is a proven and invaluable route for the youth into mainstream labour. We view the training and employment of South Africa's youth as fundamental to the ongoing sustainability of South Africa's economy.

In the annual Global Competitiveness Report of 2015, South Africa's sophisticated financial markets and businesses score highly, while the key components of education, labour market efficiency, labour flexibility and labour employee relations are at the very bottom of the competitiveness list.

Primeserv regards B-BBEE and the transformation of the workplace as a wholly separate issue to the efficiencies and productivity of the nation's labour markets. We view economic and workplace transformation as a key imperative to building a harmonious and sustainable society. We are practising what we preach by vigorously implementing transformative policies throughout Primeserv. Our business units range from levels 1 to 3 in B-BBEE scoring and the Group is working to further improve these ratings.

Acquiring skills and gaining experience are vital to authentic transformation. These are where Primeserv is positioned to make a real difference. We primarily recruit previously disadvantaged people and provide training, upskilling, on-the-job experience, and benefits in accordance with all legal requirements. As our employees gain experience in various industries, they become more valuable in the labour market and many will take up permanent employment outside of Primeserv. Others appreciate the skills development, benefits and fair treatment of being Primeserv employees and choose to remain within the Group's national TES infrastructure.

Now that the TES industry has become further regulated through the enactment of new labour legislation, South African companies are taking a fresh look at their HR functions and staffing requirements. Regulatory compliance has become more complex than before, which may prompt many companies to outsource the entire HR function of their organisation or certain components of their staffing requirements to TES providers with the capacity to manage these seamlessly. Primeserv's reputation as one of the sector's most expert players should encourage leading companies into becoming our clientele, as they will require the assurance of having their HR and TES needs handled efficiently and without complication.

Besides the changes to labour legislation, the world of HR has not stood still. How work is performed and managed is evolving quickly and human capital management exponents such as Primeserv must, as we do continually, re-examine their products, services and technologies as part of an holistic review of their market positioning. To this end Primeserv continues to invest in and develop solutions and services specifically customised to its clients and current market needs.

This is the right time to continue forming deeper partnerships with our clients and to offer a wider range of business-to-business services adjacent to Primeserv's current TES and integrated HR service offerings.

In closing we bid farewell to Professor Saul Klein, a non-executive director of the Board since 1998. As a renowned academic and corporate advisor in business management, Professor Klein has commitments in several countries and has decided to limit his international travel.

Having now stepped aside so that Primeserv can transform further, I look back with pride at having chaired such an outstanding board. Our CEO and his management at all levels have steered the Group through successes and challenges in one of South Africa's most unforgiving business sectors. Primeserv is now thoroughly prepared for deeper transformation and long term growth. Although the next few years promise to be potentially tough indeed, I have the utmost confidence that Primeserv is strategically and operationally well set to deliver a prosperous outcome for all its stakeholders.



J MICHAEL JUDIN
*Independent Non-Executive Chairman**
Independent Non-Executive Director

* Resigned 27 March 2015

CEO'S REPORT

Primeserv Group Limited is an investment holding company with subsidiary operations focused on human capital management. The delivery of its human resources (HR) and industrial relations (IR) products, services and solutions is provided through its operating pillar, Primeserv HR Services. This incorporates two main segments of specialisation: Human Capital Development and Human Capital Outsourcing.

Primeserv HR Services delivers and operates an extensive range of HR and IR consulting services and solutions, corporate and vocational training programmes, technical skills assessment and training centres, as well as permanent and temporary staffing services, wage bureaus and employee lifestyle and benefit products.

Primeserv achieved satisfactory results against the backdrop of a volatile economic and labour environment. We bettered the previous financial year's results, in which Primeserv had returned to overall profitability by consolidating our operations, driving efficiencies and disposing of non-performing assets.

Now that certainty in terms of South African labour law relating to the TES industry has finally been achieved, Primeserv is strengthening its business by further upgrading IT systems, establishing additional strategic infrastructure and hiring specialised business development personnel.

We anticipate that the next two to three years will be tough on several fronts, but Primeserv views this as much as an opportunity as a risk.

South African companies face increasingly complex operating environments and need all the expert support they can get. As a provider of best-practice HR and temporary staffing solutions, Primeserv is well positioned to help organisations knowledgeably and effectively manage their human capital requirements into the future.

Despite the difficult trading conditions experienced during the year under review the Group was able to maintain sales levels. Improved margins, particularly in the more specialised blue-collar project-based environment as well as those linked to large training initiatives were offset, to an extent, by increased staff and administration costs, site establishment and other infrastructure spend incurred to facilitate the implementation of new contracts, and the development of new training programmes. Higher than anticipated costs were also a function of contract-specific expenses related to prolonged industrial action and the resultant termination of underperforming contracts during the second half of the year under review. Expenses were also affected by a once-off cost related to the settlement of a protracted dispute in regard to contested liabilities arising out of an earlier acquisition.

Group revenue increased from R638,8 million to R651,0 million. Headline earnings increased from R6,1 million to R11,9 million and headline earnings per share increased by 96% from 6,51 cents per share to 12,73 cents per share. Net asset value per share improved by 14% from 83 cents per share to 95 cents per share.

The Human Capital Development segment's revenue increased by 12% from R34,3 million to R38,7 million. The segment delivered an operating profit from continuing operations of R1,0 million compared to a profit of R0,6 million in the prior year. EBITDA from continuing operations improved from R1,1 million to R1,4 million. The Days Sales Outstanding ("DSO") improved from 143 days to 75 days.

The consulting and training operations delivered an improved performance. Persistent administration problems at the SETAs led to some delays in both the onset of training and the settlement of accounts by some clients awaiting disbursements from the SETAs for work already undertaken. This resulted in a weaker second half performance by the training unit with a number of projects delayed to the second quarter of the 2016 financial year. The unit has a large number of SETA accredited training and learnership modules capable of being applied to youth training and employment programmes and specialised staff upskilling projects. It is anticipated that this potential will be increasingly realised in the short to medium term.

During the year under review, 8 395 new learner enrolments were processed. Of these 695 were learnership qualification enrolments and 7 700 were attendees on short-term skills programmes.

The training unit expanded its disabled learnership programme, and extended the scope of its qualifications across a number of SETAs. A national contact centre was established in the latter part of the year under review with the aim of centrally managing the unit's national public course offerings. The unit's technical training centres expanded their trade assessment and upskilling capabilities with particular emphasis being placed on providing client on-site training. This provides clients with the ability to assess and develop staff skills without disrupting workplace productivity.

In line with the South African government's initiatives to foster youth employment, Primeserv has placed youth skills development and employment at the forefront of many of its training and staffing initiatives.

The Human Capital Outsourcing segment increased revenue marginally from R605,9 million to R612,3 million, with operating profit increasing by 9% from R25,3 million to R27,7 million. EBITDA increased by 8% from R27,1 million to R29,2 million. The continual attention given to improving working capital management resulted in DSO improving from 42 days to 40 days.

This segment saw its blue-collar flexible staffing business, which specialises in servicing the logistics, warehousing and distribution, and industrial manufacturing, engineering and construction sectors, deliver a sustained performance. The blue-collar unit maintained its focus on client-centric service excellence, and the delivery of integrated HR services aimed at improving productivity within its specialised niches of operations. A major emphasis was placed on developing skills and capabilities across the entire staff complement so as to provide clients with consistent and efficient staffing and workplace productivity solutions.

The sustained drop in the oil price resulted in the curtailment of a number of labour-intensive projects linked to the petrochemical industry. This negatively impacted volumes in the second half of the year.

The white-collar professional draughting and engineering staffing operations delivered a stable year-on-year performance. This unit has to a large extent been impacted by low levels of capital infrastructure spend particularly in the area of state expenditure, and certain mega projects were delayed due to inadequate levels of electricity supply.

The world of work is evolving rapidly, spurred on by the impact of new technologies in all aspects of our lives. A primary driver is the internet and mobile connectivity – which seamlessly links individuals and organisations.

CEO'S REPORT *continued*

Another is automation, which is taking over simple and repetitive tasks previously performed by workers. While certain job categories and their attached skills fall away, other newly required skills will come into demand, or are only needed for specific projects or time periods. This has led to substantial growth in temporary or contract jobs in developed economies such as the USA and Europe. In May 2015 the US Government Accountability Office reported that 40% of the USA's workforce comprised 'contingent workers' that are not in traditional jobs. The contingent category includes temporary workers, part-time workers, contract workers and those seasoned professionals with specific expertise who prefer contract or project work.

This trend should also find traction in South Africa and is compelling HR practitioners to work out new performance metrics and corporate practices to integrate the requirements of salaried, contractor and consultant personnel into company systems. In this scenario, Primeserv's services are aligned to the needs of South African companies that compete through the quality and productivity of their human capital.

Over many years, Primeserv has continued to develop and refine its proprietary IntHRgrate™ Model of end-to-end human capital solutions. Through this 360° business-to-business support services model we match our customised modular or integrated suite of HR offerings to our clients' specific needs so as to enable the key drivers of their business strategies.

A major issue for South African employers is that our labour legislation and the current government stance is in contradiction to global trends. While labour policies elsewhere are becoming more flexible and promote temporary staffing as a vital component of skills deployment, in South Africa our labour policies are focusing more rigidly on permanent employment. Being so out of alignment will hinder job creation and make South African companies less competitive against their international counterparts.

As a consequence our labour legislation does not adequately account for the activity peaks and valleys of most businesses. However, temporary and project specific staffing remains an efficient method for matching staffing headcount to transaction and production volumes.

After an extensive review of the labour laws, particularly relating to the TES environment, amendments were promulgated to certain legislation. Although this exhaustive exercise did not simplify regulation or make South Africa's labour market more flexible, it introduced greater certainty on how workers should be employed and reimbursed. These labour amendments were primarily intended to protect temporary employees against unfair practices. Nevertheless, the legal relationship between the employer and employees in South Africa has become more complicated.

Up until March 2015, certain employers adopted a wait and see approach to employment given the prevailing uncertainty as to the effects of the impending legislation. From April 2015, after the promulgation of the

amended legislation, some employers began terminating their temporary employees due to a general lack of clarity around the legal interpretations of this legislation. This resulted in the unintended consequence of reducing employment rather than securing or creating employment opportunities in South Africa.

The TES industry has already seen a reduction in the headcount of temporary staff in certain sectors of the economy. Particularly affected are those staff employed in white-collar positions in sectors such as banking, business process outsourcing centres and certain production and manufacturing environments. The negative impact on Primeserv's revenue is likely to be felt over the short-term, while legal precedents are set and employers get to grips with the new labour landscape.

Providing quality employees for temporary assignments, supported by a range of matching HR and IR support-service modules, such as Primeserv offers, necessitates a sophisticated business capability. It requires the TES provider to maintain, and develop or access, premium levels of training, staffing capability and capacity, and technology and industry specific expertise. Primeserv is well set to deliver such services.

Primeserv is committed to the continued advancement of its transformation strategy. The transformation process is being advanced by placing greater emphasis on black ownership, increasing expenditure on skills development and preferential procurement, and furthering our efforts on enterprise and socio-economic development.

We see opportunities on the road ahead, and are directing our efforts at growing sales within our existing operational framework, whilst seeking out acquisitions that enable us to diversify revenue streams in line with the Group's strategy of broadening our support services businesses so as to create greater long-term sustainability.

In closing, I would like to take this opportunity to thank all our stakeholders for their support during the past year. We trust that these longstanding relationships will continue to prosper. A special thank you is due to our Chairman and Board of Directors for their unstinting commitment to the Group. A profound thank you is extended to all our management, staff and assignees. Your efforts throughout the past year are truly appreciated.



MERRICK ABEL
Chief Executive Officer

FINANCIAL DIRECTOR'S REPORT

Revenue from continuing operations was R651,0 million, an increase of R12,2 million compared to the prior year R638,8 million. Gross profit from continuing operations increased from R98,1 million to R109,3 million.

	2015 R'000	2014 R'000	Variance R'000	Variance %
REVENUE – Including Discontinued Operations				
Human Capital Outsourcing	612 275	605 932	6 343	1
Human Capital Development	38 685	34 319	4 366	13
Total	650 960	640 251	10 709	2
REVENUE – Continuing Operations				
Human Capital Outsourcing	612 275	605 932	6 343	1
Human Capital Development	38 685	32 859	5 826	18
Total	650 960	638 791	12 169	2
GROSS PROFIT – Continuing Operations				
Human Capital Outsourcing	84 067	73 473	10 594	14
Human Capital Development	25 252	24 648	604	2
Total	109 319	98 121	11 198	11

The Group's gross profit from continuing operations showed an improvement of 11% compared to the prior year, due to both higher sales and improved margins.

DEPRECIATION AND CAPITAL ADDITIONS

During the year a total of R0,80 million was spent on capital additions across the Group, with R0,32 million spent on computer equipment, R0,25 million on motor vehicles and the balance of R0,23 million on furniture and equipment. Depreciation for the year was R1,2 million compared to R1,4 million for the last financial year. No major additions are intended in the forthcoming year.

OPERATING PROFIT

Operating profit for the year from continuing operations decreased by 8% from R12,6 million to R11,6 million attributable to once-off costs incurred within Central Services which saw its effect on operating profit increasing from a cost of R13,3 million to a cost of R17,1 million.

HUMAN CAPITAL DEVELOPMENT

The segment's revenue from continuing operations increased by 17% from R32,9 million to R38,7 million. Continuing operations within the segment recorded a better performance increasing its operating profit by 81% from R0,6 million to R1,0 million. EBITDA improved by R0,3 million from R1,1 million to R1,4 million. The segment's Days Sales Outstanding (DSO) improved from 143 days to 75 days.

HUMAN CAPITAL OUTSOURCING

Revenue for the segment increased by 1% from R605,9 million to R612,3 million, with operating profit increasing by 9% from R25,3 million to R27,7 million. EBITDA increased by 8% from R27,1 million to R29,2 million. The segment's DSO showed an improvement from 42 days to 40 days. Management will continue to prioritise sales growth, working capital management, margin improvement and operating efficiencies.

PROFIT BEFORE TAX

Profit before tax decreased by R0,8 million from R7,8 million to R7,0 million.

TAX

The Group has a tax credit for the year due to, amongst other things, tax allowances and the reversal of a provision for tax made in prior years that is no longer required as well as an increase in the deferred tax asset recognised.

EARNINGS PER SHARE

The earnings per share and diluted earnings per share from continuing operations increased from 8,65 cents to 12,73 cents. Overall earnings per share increased from 6,51 cents per share to 12,73 cents per share. Similarly, headline earnings per share and diluted headline earnings per share from continuing operations increased from 8,65 cents per share to 12,73 cents per share while overall Group headline earnings per share improved from 6,51 cents per share to 12,73 cents per share.

DIVIDENDS

The Board has approved the recommencement of dividend payments given the improvement in both the profitability of the Group as well as the overall cash position. A gross dividend of 1 cent per share has been declared and will be paid to shareholders on Monday, 12 October 2015. Shareholders that are not exempt from Dividend Withholding Tax of 15% will receive a net dividend of 0,85 cents per share.

STATEMENT OF FINANCIAL POSITION

The Group's statement of financial position has shown an improvement in many respects when compared to the prior year. Long term and other receivables have decreased by R4,7 million to R8,9 million while trade receivables have decreased from R94,6 million to R85,2 million, with the average DSO improving from 47 days to 42 days. Trade payables have also decreased, by R14,8 million from R30,6 million to R15,8 million. The overall level of borrowings at year-end decreased by R6,9 million from R49,1 million to R42,2 million. Gearing has improved from 62% to 46%. The Group's net asset value per share improved by 14% from 83 cents per share to 95 cents per share.

CASH FLOW

Cash flows relating to operating activities improved by R6,0 million from an inflow of R1,7 million in the prior year to R7,7 million in the current year. Cash flows attributable to investing activities reduced by R1,1 million from an outflow of R1,9 million to an outflow of R0,8 million.

CONCLUSION

The Group has delivered an improved set of results as evidenced by the higher overall profitability, stronger cash flow and strengthened statement of financial position.



RAPHAEL SACK
Financial Director

DIRECTOR'S APPROVAL AND RESPONSIBILITY STATEMENT

The summarised consolidated annual financial statements are the responsibility of the directors of Primeserv Group Limited.

BASIS OF PREPARATION OF THE SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

The summarised consolidated financial statements should be read in conjunction with the consolidated annual financial statements for the year ended 31 March 2015 which were prepared in accordance with the JSE Limited Listings Requirements for abridged reports and the requirements of the Companies Act of South Africa. The Listings Requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34: Interim Financial Reporting. The accounting policies applied in the preparation of the summarised consolidated financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements. The results were prepared by the Group Financial Director, Mr R Sack CA(SA).

The directors are responsible for the preparation and fair presentation of the summarised consolidated annual financial statements and are satisfied that the systems and internal financial controls implemented by management are effective and that these summarised consolidated annual financial statements are a true and accurate extract from the consolidated annual financial statements.

The directors have made an assessment of the ability of the Company and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the Group summarised consolidated annual financial statements are fairly presented in accordance with the applicable financial reporting frameworks.

APPROVAL OF THE SUMMARISED ANNUAL FINANCIAL STATEMENTS

The summarised consolidated annual financial statements of Primeserv Group Limited, as identified above, were approved by the Board of Directors on 25 September 2015 and signed on their behalf by:



JM JUDIN
*Independent Non-Executive Chairman**
Independent Non-Executive Director
* Resigned 27 March 2015



M ABEL
Chief Executive Officer



R SACK
Financial Director

Johannesburg

INDEPENDENT AUDITOR'S REPORT ON SUMMARY FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF PRIMESERV GROUP LIMITED

The summary consolidated financial statements of Primeserv Group Limited, contained in the accompanying abridged report, which comprise the summary consolidated statement of financial position as at 31 March 2015, the summary consolidated statement of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Primeserv Group Limited for the year ended 31 March 2015. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 25 September 2015. Our auditor's report on the audited consolidated financial statements contained an Other Matter paragraph: "Other reports required by the Companies Act" (refer below).

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Primeserv Group Limited.

DIRECTOR'S RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for abridged reports, set out in the Directors' Approval and Responsibility Statement and the requirements of the Companies Act of South Africa as applicable to summary financial statements, and for such internal control as the directors determine is necessary to enable the preparation of the summary consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

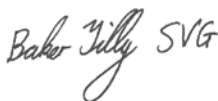
Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, Engagements to Report on Summary Financial Statements.

OPINION

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Primeserv Group Limited for the year ended 31 March 2015 are consistent, in all material respects, with those consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for abridged reports and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

OTHER REPORTS REQUIRED BY THE COMPANIES ACT

The "other reports required by the Companies Act" paragraph in our audit report dated 25 September 2015 states that as part of our audit of the consolidated financial statements for the year ended 31 March 2015, we have read the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated financial statements. These reports are the responsibility of the respective preparers. The paragraph also states that, based on reading these reports, we have not identified material inconsistencies between these reports and the audited consolidated financial statements. The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. The paragraph does not have an effect on the summary consolidated financial statements or our opinion thereon.



BAKER TILLY SVG
L Vroom
Partner
Registered Auditor

Melrose Arch
25 September 2015

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE TWELVE MONTHS ENDED 31 MARCH 2015

		2015 R'000	2014 R'000
Revenue		650 960	638 791
Cost of sales		(541 641)	(540 670)
Gross profit		109 319	98 121
Operating profit		11 591	12 591
Interest received		272	983
Interest paid		(4 862)	(5 766)
Profit before tax		7 001	7 808
Tax		4 134	(1 366)
Profit from continuing operations		11 135	6 442
Loss from discontinued operation (net of tax)		–	(2 002)
Total comprehensive income		11 135	4 440
Total comprehensive income attributable to:			
Ordinary shareholders of the Company		11 923	6 096
– Continuing operations		11 923	8 098
– Discontinued operation		–	(2 002)
Non-controlling shareholders' interest		(788)	(1 656)
Total comprehensive income		11 135	4 440
Weighted average number of shares	('000)	93 682	93 682
Diluted weighted average number of shares	('000)	93 682	93 682
Earnings and diluted earnings per share	(cents)	12,73	6,51
– Continuing operations	(cents)	12,73	8,65
– Discontinued operation	(cents)	–	(2,14)
Headline earnings and diluted headline earnings per share	(cents)	12,73	6,51
– Continuing operations	(cents)	12,73	8,65
– Discontinued operation	(cents)	–	(2,14)

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2015

	2015 R'000	2014 R'000	
ASSETS			
Non-current assets	47 788	50 567	
Equipment and vehicles	3 534	3 930	
Investment property	7 645	7 645	
Goodwill	18 170	18 170	
Intangible assets	1 360	2 269	
Long-term receivables	3 048	6 860	
Deferred tax asset	14 031	11 693	
Current assets	92 485	102 595	
Inventories	119	200	
Trade receivables	85 218	94 555	
Other receivables	5 836	6 748	
Cash and cash equivalents	1 312	1 092	
Total assets	140 273	153 162	
EQUITY AND LIABILITIES			
Capital and reserves	81 877	70 742	
Ordinary share capital	1 321	1 321	
Share premium	1 351	1 351	
Distributable reserves	101 308	89 385	
Treasury shares	(14 748)	(14 748)	
Total equity attributable to equity holders of the Company	89 232	77 309	
Non-controlling interest	(7 355)	(6 567)	
Non-current liabilities	110	–	
Financial liabilities	110	–	
Current liabilities	58 286	82 420	
Trade and other payables	15 759	30 545	
Current portion of financial liabilities	32	–	
Tax payable	289	2 803	
Bank borrowings	42 206	49 072	
Total equity and liabilities	140 273	153 162	
Number of shares in issue at year-end (net of treasury shares)	('000)	93 682	93 682
Net asset value per share	(cents)	95	83

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE TWELVE MONTHS ENDED 31 MARCH 2015

	Share capital R'000	Share premium R'000	Distributable reserves R'000	Treasury shares R'000	Total R'000	Non-controlling interest R'000	Total equity R'000
Opening balances at 1 April 2013	1 321	1 351	83 289	(14 748)	71 213	(4 950)	66 263
Attributable earnings for the year	–	–	6 096	–	6 096	(1 656)	4 440
Disposal of interest to minority	–	–	–	–	–	39	39
Balances at 1 April 2014	1 321	1 351	89 385	(14 748)	77 309	(6 567)	70 742
Attributable earnings for the year	–	–	11 923	–	11 923	(788)	11 135
Closing balances at 31 March 2015	1 321	1 351	101 308	(14 748)	89 232	(7 355)	81 877

GROUP STATEMENT OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED 31 MARCH 2015

	2015 R'000	2014 R'000
Cash flows generated from operating activities	7 748	1 748
Profit before tax from continuing operations	7 001	7 808
Loss before tax from discontinued operations	–	(2 002)
Adjustments	10 619	6 646
– Interest received	(272)	(983)
– Interest paid	4 862	5 766
– Depreciation	1 200	1 357
– Impairments to long term receivables	3 920	–
– Amortisation and impairment of intangibles	909	506
Operating cash flows before working capital changes	17 620	12 452
Working capital changes	(4 564)	(5 460)
– Decrease in inventories	81	653
– Decrease in trade and other receivables	10 141	3 449
– Decrease in trade and other payables	(14 786)	(9 562)
Cash generated from operations	13 056	6 992
Interest received	272	983
Interest paid	(4 862)	(5 766)
Tax paid	(718)	(461)
Cash flows utilised in investing activities	(804)	(1 946)
Purchase of equipment and vehicles to maintain operations	(804)	(1 201)
Increase in long-term receivables	–	(660)
Disposal of subsidiary	–	(85)
Cash flows generated from/(utilised in) financing activities	142	(5 031)
Increase in non-current financial liabilities	110	–
Increase in current financial liabilities	32	–
Short-term loan	–	(4 830)
Repayment of vendor obligation	–	(201)
Net increase/(decrease) in cash and cash equivalents	7 086	(5 229)
Cash and cash equivalents at beginning of year	(47 980)	(42 751)
Cash and cash equivalents at end of year	(40 894)	(47 980)

NOTES

FOR THE TWELVE MONTHS ENDED 31 MARCH 2015

1. SIGNIFICANT ACCOUNTING POLICIES

REVENUE

Group revenue consists of sales to customers from services rendered and is stated net of value added tax. Course fees received in advance are recognised over the period of the course. Income received on long-term staff supply and training contracts is recognised as it is earned.

DEFERRED TAX

Deferred tax is provided in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements, and the corresponding tax bases used in the computation of taxable income. Deferred tax is calculated using rates expected to apply when the related deferred tax assets are realised or the deferred tax liabilities are settled. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) enacted or substantially enacted at the end of the reporting period date. Deferred tax assets are recognised to the extent that it is probable that a taxable profit will be available in future periods against which the tax asset can be recovered.

JUDGEMENTS AND ESTIMATES MADE BY MANAGEMENT

Preparation of the financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts and related disclosures. Actual amounts could differ from these estimates.

2. EARNINGS PER SHARE

The earnings per share and diluted earnings per share from continuing operations increased from 8,65 cents to 12,73 cents. Overall earnings per share improved from 6,51 cents per share to 12,73 cents per share. Similarly, headline earnings per share and diluted headline earnings per share from continuing operations increased from 8,65 cents per share to 12,73 cents per share while that for the overall Group improved from 6,51 cents per share to 12,73 cents per share.

Reconciliation of Headline Earnings

	2015 R'000	2014 R'000
Net profit attributable to shareholders	11 923	6 096
Headline earnings	11 923	6 096
— Continuing operations	11 923	8 098
— Discontinued operation	—	(2 002)

3. SEGMENTAL ANALYSIS

The segmental analysis describes the relative performance of the main operating segments of the business, including that of Central Services. Revenue in the Human Capital Outsourcing segment increased from R605,9 million to R612,3 million, while that of the Human Capital Development segment increased from R34,3 million to R38,6 million, taking into consideration that the prior year amount includes the revenue of the discontinued colleges business. Operating profits in the Human Capital Outsourcing and Human Capital Development segments were up when compared with the prior year.

	2015 R'000	2014 R'000
Revenue from external customers		
Human Capital Outsourcing	612 275	605 932
Human Capital Development	38 569	34 319
Total	650 844	640 251
Revenue – Inter-segment		
Human Capital Outsourcing	—	—
Human Capital Development	116	493
Total	116	493
Business segment operating profit results		
Human Capital Outsourcing	27 690	25 347
Human Capital Development	1 007	(1 428)
— Continuing operations	1 007	574
— Discontinued operation	—	(2 002)
Central Services	(17 106)	(13 330)
Operating profit	11 591	10 589
Interest received	272	983
Interest paid	(4 862)	(5 766)
Profit before tax	7 001	5 806
Business segment total assets		
Human Capital Outsourcing	107 875	116 789
Human Capital Development	20 728	26 617
Central Services	11 670	9 756
Total	140 273	153 162
Business segment total liabilities		
Human Capital Outsourcing	51 703	75 810
Human Capital Development	5 749	5 062
Central Services	944	1 548
Total	58 396	82 420

NOTICE OF ANNUAL GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action you should take arising from the following resolutions, contact your stockbroker, attorney, accountant or other professional adviser immediately.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given, in terms of section 62(1) of the Companies Act, Act 71 of 2008 as amended ("the Act"), that the annual general meeting of the shareholders of Primeserv Group Limited ("Primeserv") will be held at Protea Hotel Wanderers, Corner of Corlett Drive and Rudd Road, Johannesburg, at 09:00 on Friday, 20 November 2015 to (1) deal with such business as may lawfully be dealt with at the meeting and (2) consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the Companies Act, No 71 of 2008, as amended ("The Act") as read with the Listing Requirements of the JSE Limited ("the Listing Requirements") on which exchange, the shares in the Company are listed:

Kindly note that in terms of section 63(1) of the Act, meeting participants (including shareholders and proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a shareholders' meeting. Forms of identification include valid identity documents, driver's licenses and passports.

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The consolidated audited annual financial statements for the Company and the Group, including the external Independent Auditor's Report, the Report of the Audit Committee and the Directors' Report for the year ended 31 March 2015, have been distributed as required and will be presented to shareholders at the annual general meeting.

The consolidated audited annual financial statements, together with the abovementioned reports are set out on pages 30 to 61 of the Integrated Report. The complete Integrated Report of the Company is set out on the Company's website at www.primeserv.co.za/?cid=54.

REPORT FROM THE SOCIAL AND ETHICS COMMITTEE

In accordance with Companies Regulation 42(5)(c), issued in terms of the Companies Act of 2008, the Chairman of the Social and Ethics Committee, or in the absence of the Chairman any member of the Committee, will present the Committee's report to shareholders at the annual general meeting.

To consider and, if deemed fit, to pass, with or without modification, the following ordinary and special resolutions:

AS ORDINARY RESOLUTIONS

As specified by section 62(3)(c) of the Act, it is advised that all ordinary resolutions, save where specifically noted otherwise, are required to be passed by a percentage of votes in excess of 50% of votes exercised in regard to the resolution.

ORDINARY RESOLUTION NUMBER 1 – APPOINTMENT OF AUDITORS

1. Upon the recommendation of the current Audit, Governance and Risk Committee and subject to the Audit, Governance and Risk Committee continuing to be satisfied of their independence, to confirm the appointment of the Company's auditors, Baker Tilly SVG, as independent auditors of the Company and to appoint Marlene Greeff as the designated auditor for the following year, to hold office until the conclusion of the annual general meeting of the Company to be held in 2016.

Terms of Engagement and Fees

As prescribed under the terms of section 94 of the Act, the Audit, Governance and Risk Committee will determine the terms of engagement in regard to services to be rendered by the auditors and fees to be paid in respect thereof.

ORDINARY RESOLUTION NUMBER 2 – RE-ELECTION OF DIRECTORS

2. The following non-executive directors retire by rotation in accordance with the Company's Memorandum of Incorporation:
 - DL Rose
 - LM Maisela
- 2.1 To re-elect DL Rose who retires by rotation and, being eligible, offers himself for re-election in accordance with the Company's Memorandum of Incorporation.
- 2.2 To re-elect LM Maisela who retires by rotation and, being eligible, offers himself for re-election in accordance with the Company's Memorandum of Incorporation.

Abridged curriculum vitae of each of the directors offering themselves for re-election are set out on page 7 of the Integrated Annual Report of the Company. The Board has evaluated the performance and contribution of each director standing for re-election and has recommended the re-election of each of the directors.

ORDINARY RESOLUTION NUMBER 3 – ELECTION OF AUDIT COMMITTEE

3. To elect and confirm the following independent non-executive directors as members of the Audit, Governance and Risk Committee to hold office until the conclusion of the next annual general meeting.
 - 3.1 To elect as Audit, Governance and Risk Committee member and Chairman DL Rose for the ensuing year.*
 - 3.2 To elect as Audit, Governance and Risk Committee member JM Judin for the ensuing year.
 - 3.3 To elect as Audit, Governance and Risk Committee member CS Shiceka for the ensuing year.

* Subject to his re-election as director in terms of ordinary resolution 2.1 above.

NOTICE OF ANNUAL GENERAL MEETING continued

Abridged curriculum vitae of each of the Directors offering themselves for election are set out on page 7 of the Integrated Annual Report of the Company. The Board has reviewed the independence, expertise, qualification and relevant experience of the nominated Audit, Governance and Risk Committee members and recommends that each of the nominated directors is elected.

ORDINARY RESOLUTION NUMBER 4 – ENDORSEMENT OF PRIMESERV REMUNERATION POLICY

- To endorse by way of a non-binding advisory vote, as recommended by the King Code on Corporate Governance III ('King III'), the Group's remuneration policy, as set out in the Integrated Report on pages 23 to 24.

ORDINARY RESOLUTION NUMBER 5 – AUTHORISATION OF DIRECTOR TO SIGN

- That any director of the Company or the Company Secretary be and is hereby authorised to sign all documents and do all acts which may be required to carry into effect the ordinary and special resolutions contained in the notice of annual general meeting incorporating this ordinary resolution.

AS SPECIAL RESOLUTIONS

SPECIAL RESOLUTION NUMBER 1 – REMUNERATION OF NON-EXECUTIVE DIRECTORS

To confirm the remuneration payable to the non-executive directors of the Company for the 2016 financial year as follows:

	Base fee	Attendance fees per meeting
	R	R
Chairman	73 000	17 000
Non-executive directors	22 500	17 000
Chairman of Audit Committee	74 000	–
Chairman of Remuneration Committee	11 700	–
Chairman of Social and Ethics Committee	11 700	–
Committee members		
– Audit	–	7 500
– Remuneration	–	5 500
– Social and Ethics	–	3 000

Non-executive directors receive a base fee plus an attendance fee per meeting.

The fees in the table are for individual roles while the aggregate fees any single director earns will be based on a combination of the fees for all roles performed.

Reason for and effect of this special resolution

Special resolution number 1 is required in terms of section 66(9) of the Companies Act to authorise the Company to pay remuneration to non-executive directors of the Company in respect of their services as directors. Furthermore, in terms of the Listings Requirements and King III, remuneration payable to non-executive directors should be approved by shareholders in advance or within the previous two years.

SPECIAL RESOLUTION NUMBER 2 – FINANCIAL ASSISTANCE TO SUBSIDIARIES AND ASSOCIATES

"RESOLVED THAT, in accordance with section 45 of the Act, the provision of any financial assistance by the Company to any company or corporation which is related or inter-related to the Company (as defined in the Act), on the terms and conditions which the directors of Primeserv may determine, be and is hereby approved."

Reason for and effect of this special resolution

In terms of the Act, the Board may authorise the Company to provide any financial assistance to related or inter-related companies which are Group companies, including subsidiary companies of the Company, where it believes it would be beneficial to the Company to do so in future, subject to certain requirements set out in the Act, including the Company meeting solvency and liquidity tests.

This general authority is necessary for the Company to continue making loans to subsidiaries as well as granting letters of support and guarantees in appropriate circumstances. A general authorisation from shareholders avoids the need to refer each instance to shareholders for approval with the resulting time delays and expense. If approved, this general authority will expire at the end of two years. It is, however, the intention to renew the authority annually at the annual general meeting.

To transact any other business as may be transacted at an annual general meeting.

APPROVALS REQUIRED FOR RESOLUTIONS

Ordinary Resolutions number 1 to 5 contained in this notice of annual general meeting require the approval by more than 50% of the votes exercised on the resolutions by the shareholders present or represented by proxy at the annual general meeting, and further subject to the provisions of the Act, the Company's Memorandum of Incorporation and the Listings Requirements.

Special Resolution numbers 1 and 2 contained in this notice of annual general meeting require the approval by at least 75% of the votes exercised on the resolutions by shareholders present or represented by proxy at the annual general meeting, and are further subject to the provisions of the Act, the Company's Memorandum of Incorporation and the Listings Requirements.

VOTING AND PROXIES

Record dates

The posting record date, being the date to be recorded in the register to be eligible to receive this notice of annual general meeting is Friday, 25 September 2015. The record date on which shareholders of the company must be registered as such in the Companies' Securities register, which date was set by the Board of the Company determining which shareholders are entitled to attend and vote at the annual general meeting is Friday, 13 November 2015. Accordingly the last day to trade in order to be able to attend and vote at the annual general meeting is Friday, 6 November 2015.

Voting

The shareholders of the Company will be entitled to attend the general meeting and to vote on the resolutions set out above. On a show of hands, every Primeserv shareholder who is present in person, by proxy or represented at the general meeting shall have one vote (irrespective of the number of shares held in the Company), and on a poll, which any

NOTICE OF ANNUAL GENERAL MEETING continued

shareholder can request, every Primeserv shareholder shall have for each share held by him/her that proportion of the total votes in the Company which the aggregate amount of the nominal value of that share held by him/her bears to the aggregate of the nominal value of all the shares issued by the Company.

In terms of the Listings Requirements any shares currently held by the Primeserv Share Incentive Trust will not be taken into account in determining the results of voting on Special Resolution Numbers 1 and 2.

Electronic participation

Should any shareholder wish to participate in the annual general meeting by way of electronic participation, that shareholder should make application in writing (including details as to how the shareholder or their representative can be contacted) to so participate to the transfer secretaries at the address below, to be received by the transfer secretaries at least five business days prior to the annual general meeting in order for the transfer secretaries to arrange for the shareholder (or their representative) to provide reasonably satisfactory identification to the transfer secretaries for the purposes of section 63(1) of the Act and for the transfer secretaries to provide the shareholder (or their representative) with details as to how to access any electronic participation to be provided. The Company reserves the right to elect not to provide for electronic participation at the annual general meeting in the event that it determines that it is not practical to do so. The costs of accessing any means of electronic participation provided by the Company will be borne by the shareholder so accessing the electronic participation. Shareholders are advised that participation in the annual general meeting by way of electronic participation will not entitle a shareholder to vote at the meeting.

Should a shareholder wish to vote at the annual general meeting, they may do so by attending and voting at the annual general meeting either in person or by proxy.

Proxies

A Primeserv shareholder entitled to attend and vote at the annual general meeting may appoint one or more persons as their proxy to attend, speak and vote in their stead. A proxy need not be a shareholder of the Company.

A form of proxy is attached for the convenience of certificated shareholders and "own name" dematerialised shareholders of the Company who are unable to attend the annual general meeting, but who wish to be represented thereat. In order to be valid, duly completed forms of proxy must be received by the Company's Transfer Secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), not later than 09:00 on Wednesday, 18 November 2015.

Section 63(1) of the Act requires that meeting participants provide satisfactory identification.

- (1) At any time, a shareholder of a company may appoint any individual, including an individual who is not a shareholder of that company, as a proxy to:
 - (a) participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder; or
 - (b) give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.

- (2) A proxy appointment
 - (a) must be in writing, dated and signed by the shareholder; and
 - (b) remains valid for
 - (i) one year after the date on which it was signed; or
 - (ii) any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in sub-section (4) (c), or expires earlier as contemplated in subsection (8) (d).
- (3) Except to the extent that the Memorandum of Incorporation of a company provides otherwise:
 - (a) a shareholder of that company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
 - (b) a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
 - (c) a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders meeting.
- (4) Irrespective of the form of instrument used to appoint a proxy:
 - (a) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
 - (b) the appointment is revocable unless the proxy appointment expressly states otherwise; and
 - (c) if the appointment is revocable, a shareholder may revoke the proxy appointment by:
 - (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - (ii) delivering a copy of the revocation instrument to the proxy, and to the Company.
- (5) The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of:
 - (a) the date stated in the revocation instrument, if any; or
 - (b) the date on which the revocation instrument was delivered as required in sub-section (4) (c) (ii).
- (6) A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the instrument appointing the proxy otherwise provides.

Any shareholder of the Company who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the annual general meeting should they decide to do so.

NOTICE OF ANNUAL GENERAL MEETING continued

Dematerialised shareholders of the Company, other than “own name” dematerialised shareholders of the Company, who have not been contacted by their CSDP or broker with regard to how they wish to cast their votes, should contact their CSDP or broker and instruct their CSDP or broker as to how they wish to cast their votes at the Company’s annual general meeting in order for their CSDP or broker to vote in accordance with such instructions. If such dematerialised shareholders of the Company wish to attend the Company’s annual general meeting in person, they must request their CSDP or broker to issue the necessary Letter of Representation to them. This must be done in terms of the agreement entered into between such dematerialised shareholders of the Company and the relevant CSDP or broker. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them.

By order of the Board



ER GOODMAN SECRETARIAL SERVICES CC
(REPRESENTED BY E GOODMAN)
Company Secretary

Johannesburg
25 September 2015

PRIMESERV GROUP LIMITED
Incorporated in the Republic of South Africa
Registration number 1997/013448/06
Share code: PMV
ISIN: ZAE00039277
25 Rudd Rd, Illovo, Johannesburg
PO Box 3008, Saxonwold, 2132
www.primeserv.co.za
email: productivity@primeserv.co.za

TRANSFER SECRETARIES
Computershare Investor Services Proprietary Limited
Registration number 2004/003647/07
70 Marshall Street, Marshalltown, 2001
PO Box 61051, Marshalltown, 2107

FORM OF PROXY



PRIMESERV GROUP LIMITED

Incorporated in the Republic of South Africa • (Registration number 1997/013448/06)

Share code: PMV • ISIN: ZAE00039277 • ("Primeserv" or "the Company")

For the use by certificated or "own name" dematerialised shareholders of Primeserv for the annual general meeting of Primeserv Group Limited to be held at Protea Hotel Wanderers, Corner of Corlett Drive and Rudd Road, Johannesburg at 09:00 on Friday 20 November 2015 ("the annual general meeting").

If shareholders have dematerialised their shares with a Central Securities Depository Participant ("CSDP") or broker (other than not own name dematerialised shareholders) they must arrange with the CSDP or broker to provide them with the necessary letter of representation to attend the annual general meeting or the shareholder must instruct them as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the shareholder and the CSDP or broker in the manner and cut-off time stipulated therein.

I/We _____
(Name/s in block letters)

of (address) _____

being the registered holders of ordinary shares in Primeserv, do hereby appoint

1. _____ or, failing him/her,
2. _____ or, failing him/her,
3. the Chairman of the annual general meeting as my/our proxy to act for me/us and on my/our behalf at the general meeting which will be held for the purposes of considering, and if deemed fit, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the ordinary shares registered in my/our name/s, in accordance with the following instructions (see note 1, overleaf).

		Number of votes (one vote per ordinary share)		
		For	Against	Abstain
Resolution number 1	– To confirm the reappointment of Baker Tilly SVG as independent auditors of the Company and M Greeff as the designated auditor for the following year			
Resolution number 2	– To confirm the re-appointment as director			
	2.1 DL Rose			
	2.2 LM Maisela			
Resolution number 3	– To elect the members of the Audit, Governance and Risk Committee			
	3.1 DL Rose			
	3.2 JM Judin			
	3.3 CS Shiceka			
Resolution number 4	– Endorsement of the Remuneration Policy			
Resolution number 5	– Authority for directors or Company Secretary to implement the resolutions			
Special resolution number 1	– To confirm the non-executive directors' remuneration			
Special resolution number 2	– Authority to provide financial assistance to related or inter-related companies of the Company			

Signed at _____ on _____ 2015

Signature _____

Assisted by me (where applicable)

Please indicate whether you elect to receive documents electronically at the e-mail address inserted below by ticking the appropriate box

YES NO

Signature _____

Please see notes overleaf

NOTES TO THE FORM OF PROXY

1. A shareholder may insert the names of a proxy or the names of two alternative proxies of the member's choice in the space provided, with or without deleting "the Chairman of the meeting", but the shareholder must initial any such deletion. The person whose name appears first on the proxy and which has not been deleted shall be entitled to act as proxy to the exclusion of those names following.
2. A shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each ordinary share held. A shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the shareholder in the appropriate box. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting as he/she deems fit in respect of all the shareholder's votes.
3. A vote given in terms of an instrument of proxy shall be valid in relation to the annual general meeting notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the ordinary shares in respect of which the proxy is given, unless notice as to any of the aforementioned matters shall have been received by the transfer secretaries or by the Chairman of the annual general meeting before the commencement of the annual general meeting.
4. If a shareholder does not indicate on this form that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the general meeting, be proposed, the proxy shall be entitled to vote as he/she thinks fit.
5. The authority of a person signing a proxy in a representative capacity must be attached to the proxy unless that authority has already been recorded with the Company's transfer secretary or waived by the Chairman of the annual general meeting.
6. His/her parent or guardian as applicable must assist a minor or any other person under legal incapacity, unless the relevant documents establishing capacity are produced or have been registered with the transfer secretaries.
7. Where there are joint holders of ordinary shares:
 - any one holder may sign the form of proxy;
 - the vote(s) of the senior shareholders (for that purpose seniority will be determined by the order in which the names of ordinary shareholders appear in the Company's register) who tender a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
8. Proxies must be lodged at or posted to the Company or the Company's transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received not later than 09:00 on Wednesday, 18 November 2015.
9. Any alteration or correction made to this form of proxy other than the deletion of alternatives must be initialled by the signatory/ies.
10. The completion and lodging of this proxy shall not preclude the relevant shareholder from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
11. The Chairman of the meeting may reject or accept a proxy that is completed other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.
12. *If you have not dematerialised your shares and selected own name registration in the sub-register:*

You may either attend the annual general meeting in person or complete and return the form of proxy in accordance with the instructions contained therein to the transfer secretaries.
13. *If you have dematerialised your shares through a CSDP or broker and registered them in a name other than your own name and wish to vote at the annual general meeting:*

If you have already dematerialised your shares you must advise your CSDP or broker of your voting instructions on the proposed resolutions. However, should you wish to attend the annual general meeting in person, you will need to request your CSDP or broker to provide you with the necessary Letter of Representation in terms of the custody agreement entered into with the CSDP or broker.

CORPORATE INFORMATION

PRIMESERV GROUP LIMITED

Incorporated in the Republic of South Africa
Registration number 1997/013448/06
Share code: PMV
ISIN: ZAE000039277

REGISTERED OFFICE

25 Rudd Road, Illovo, Johannesburg
PO Box 3008, Saxonwold, 2132
Telephone: +27 011 691 8000
Telefax: +27 011 691 8011
www.primeserv.co.za
email: productivity@primeserv.co.za

COMPANY SECRETARY

ER Goodman Secretarial Services CC
(represented by E Goodman)
2nd Floor
Palm Grove
Grove City
196 Louis Botha Avenue
Houghton, 2198

LEGAL ADVISORS

DLA Cliffe Dekker Hofmeyr

Werksmans

SPONSOR

**Deloitte & Touche Sponsor Services
Proprietary Limited**
Deloitte & Touche Place
The Woodlands
20 Woodlands Drive
Woodmead, 2196
Private Bag X6, Gallo Manor, 2052

BANKERS

FirstRand Bank Limited

Investec Bank Limited

AUDITORS

Baker Tilly SVG
Third Floor
3 Melrose Boulevard
Melrose Arch, 2076

TRANSFER SECRETARIES

Computershare Investor Services
Proprietary Limited
Registration number 2004/003647/07
70 Marshall Street, Marshalltown, 2001
PO Box 61051, Marshalltown, 2107

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people ▶ productivity ▶ performance™